



The California Association of Housing Authorities (CAHA) represents over 100 public housing authorities (PHAs) throughout the State.

PHAs have been operating in an affordable housing crisis for years, but 2022 continues to have the greatest health, housing, and economic challenges our nation has seen in generations. The COVID-19 pandemic has created an even more urgent need to keep families housed, intensifying the link between health and housing in a real and immediate way. At the same time, the economic impacts of the pandemic have resulted in massive job losses and decreases in income, with housing instability at an all-time high as countless families fall further behind on rent payments every month. To further compound these challenges, catastrophic fires have raged throughout California, resulting in significant reductions in rental housing stock in already tight rental markets.

Since Congress adopted housing authority legislation in 1937, California housing authorities have been on the front lines of affordable housing, providing a housing safety net for the most vulnerable populations.

- ▶ We administer approximately 348,523 Housing Choice Vouchers.
- ▶ We own and manage approximately 32,000 Public Housing units.
- ▶ Many housing authorities are developers who utilize the Affordable Housing Tax Credit Program.
- ▶ We are active users of the State of California's Housing and Community Development grant funds.
- ▶ We support the development of additional affordable housing through the commitment of Project Based Vouchers (PBVs).
- ▶ We work in partnership with our participating families to foster educational opportunities, employment, home ownership and self-sufficiency.
- ▶ In cooperation with the Veterans Administration we provide rental housing subsidies to approximately 20,000 homeless veterans.
- ▶ And, critically, we are a key local partner in the drive to eliminate homelessness.



Mirasol Village redevelopment project will consist of 487 mixed income housing units designed to promote inclusion with affordable units interspersed throughout the development and amenities including City park and community garden.

Need for Affordable Housing



Over 6 MILLION

Californians (nearly 16% of the state population) have incomes at or near the federal poverty level, including 1.8 million children and 900,000 seniors, yet only 1 million Californians are receiving any form of rental assistance.



758,000

Californians (13% of all renters) are behind in rent and at risk of losing their housing as of June 2021.



\$39.03

is the average hourly wage necessary for a full-time worker to afford the average two-bedroom apartment in California.



89 HOURS

of work per week are necessary to afford a one-bedroom apartment on minimum wage in California.



50%

of the nation's unsheltered homeless reside in California.



Victory Gardens, French Camp, CA. Homeless veteran's housing, 48 total units, 33-514 sf 1 bedroom units and 7-709 sf 2 bedroom units.

Housing Choice Voucher Program

The Housing Choice Voucher (HCV) program is an effective solution to preventing and ending homelessness and using housing as a platform to improve quality of life, encouraging public-private partnerships in housing extremely low to low income families.

While California receives 13% of the nation's vouchers, funding has not kept pace with rental market increases statewide. Because federal funding has not kept pace with actual rent increases, we house fewer families than we did in the past. This has left needy families languishing on Housing Authorities' wait lists.

President Biden has proposed a major expansion of the HCV program that would result in Universal Vouchers, scaling the program up to provide rental assistance for EVERY eligible household. CAHA enthusiastically supports this proposal, as rental assistance is only available to one out of every five eligible families. However, increases in rental assistance must be accompanied by increases to housing production to ensure affordable housing for all. Finally, increased

voucher funding cannot wait for the Universal Voucher program. PHAs lack funding for all of the vouchers we currently administer, and need funding to be increased to a level that will support the unused vouchers that have been lost in recent years, as well as increases to administrative fees to allow for the provision of supportive services, landlord incentives, and recruitment and retention of professional staff capable of assisting an increasingly vulnerable population with complex needs.

Project-basing HCV is a valuable tool for encouraging private investment in affordable housing, especially for those with the lowest incomes. Project Based Vouchers have become an increasingly important tool supporting the development of new affordable housing. However, many PHAs are reaching their PBV cap. Increasing the number of units that PHAs can project base can help us support the development of affordable housing in our communities.



Buena Esperanza, in Anaheim is the first motel conversion, is a two story Spanish Style building comprised of 69 studio apartments. The Permanent Supportive Housing development includes medication management assistance, mental health counseling and general life skills training on site.



Lavendar Courtyard is a 53 unit one- and two-bedroom, LGBTQ+ friendly residential community for seniors, including 20 homeless permanent supportive housing units

Benefits of the Housing Choice Voucher Program to California's Families and Economy



\$2.97 billion

dollars in funding for rent subsidy payments to private landlords which generates revenue for small business landlords and creates disposable income for low-income families to infuse into the economy.



348,523

low-income families housed, which equates to one in every twenty renters.



67%

of assisted households include persons who are disabled and/or seniors or children.

The Achievement Academy at the San Diego Housing Commission. This resource center and computer lab provides programs that emphasize career planning, job skills, and personal financial education to help individuals and families become more financially self-reliant.



Trinity Place, San Diego
73 affordable studios for Seniors who experienced homelessness

Community Development Programs

CAHA recognizes and commends the significantly increased funding commitments infused into HUD's Community Development programs through both the Coronavirus Aid, Relief and Economic Security Act (CARES Act) of 2020 and the American Rescue Plan Act of 2021. These historic funding commitments, accompanied by unprecedented regulatory relief, provided essential tools for localities needing to respond quickly to needs created by the COVID-19 crisis.

Love Anaheim Food Pantry
Over 9,900 food bags were distributed to families throughout Anaheim in the last quarter alone.



La Mesa - A 102- bed shelter run by the Illumination Foundation – Art murals are located throughout the Shelter as a means of inspiring and uplifting those who enter.

Emergency Solutions Grant – CV (ESG-CV)

Increased funding provided under the ESG-CV program was used by many jurisdictions to formulate quick responses through the use of motel vouchers and creative expansions of shelter space such as trailers and modular units.

As the COVID-19 crisis begins to move into a somewhat contained state, the crisis of homelessness and affordability remains. The demand for quick shelter options and bridge housing is extremely high.

We recognize that a Housing First model is the premiere response to homelessness; ESG-CV provides a funding stream that makes a quick response and increased supportive services much more plausible.

As the crisis of homelessness continues in California, CAHA urges Congress to consider supporting the ESG-CV program with increased funding levels necessary to provide more holistic housing interventions.

Community Development Block Grant (CDBG) and HOME Investment Partnership Program

CDBG and HOME help preserve and sustain our nation's affordable housing stock, provide community investment and revitalization, jump start private capital investment and create jobs. CDBG and HOME are proven programs, leveraging other sources of investment at a rate of more than four to one.

These programs also supported essential activities such as distribution of food to vulnerable populations, increased access to wireless networks to facilitate remote learning, allowed for the provision of personal protective equipment and supported the implementation of testing and vaccination sites.

HOME funds are also being coupled with State funds to maximize a new State program called Homekey which supports the acquisition and occupancy of hotels, motels, and other properties to house people experiencing homelessness.

Continued, adequate funding for the critical programs already underway in California will help the State rebound and build back better!

The Link has 86 affordable studios of which 72 are dedicated for those who experienced homelessness.



Affordable Housing Tax Credit Program (aka Low-Income Housing Tax Credit)

The Housing Tax Credit is one of the country's most successful affordable housing production and preservation programs. Through public-private partnerships, over three million affordable homes for veterans, seniors, working families and people with special needs have been developed. The Housing Tax Credit should be expanded through the Affordable Housing Credit Improvement Act so that we can work toward eliminating the national housing crisis.

Eviction Prevention

CAHA applauds the incredible investment in eviction prevention assistance promulgated by Congress through the Consolidated and Appropriations Act of 2021. These funds are vital both as a homeless prevention tool and also as small business assistance.

Currently, over 75% of California renters at the extremely low income level spend more than half of their income on housing and utilities, often forgoing other necessities like food and healthcare to pay rent. Unfortunately, they are at the highest risk of eviction. The hardships that have been highlighted as a result of COVID 19 existed prior to the pandemic and will likely continue even as the resources brought forth by the COVID-19 crisis begin to dry up. Eviction prevention programs and community-based services have evidence of effectiveness particularly when paired with diversion programs incorporating financial aid, counseling, and legal assistance¹.

¹ The Center for Evidence-based Solutions to Homelessness.

CAHA urges consideration for the continuation of an appropriately funded, national eviction prevention fund, either within the ESG-CV program or through a separate vehicle such as ERAP.



Casitas De La Guerra, built in 1997,
7 units; 1 bedroom/1 bath
Senior, non-subsidized
Unit size: 500 sq. ft.

Public Housing Program

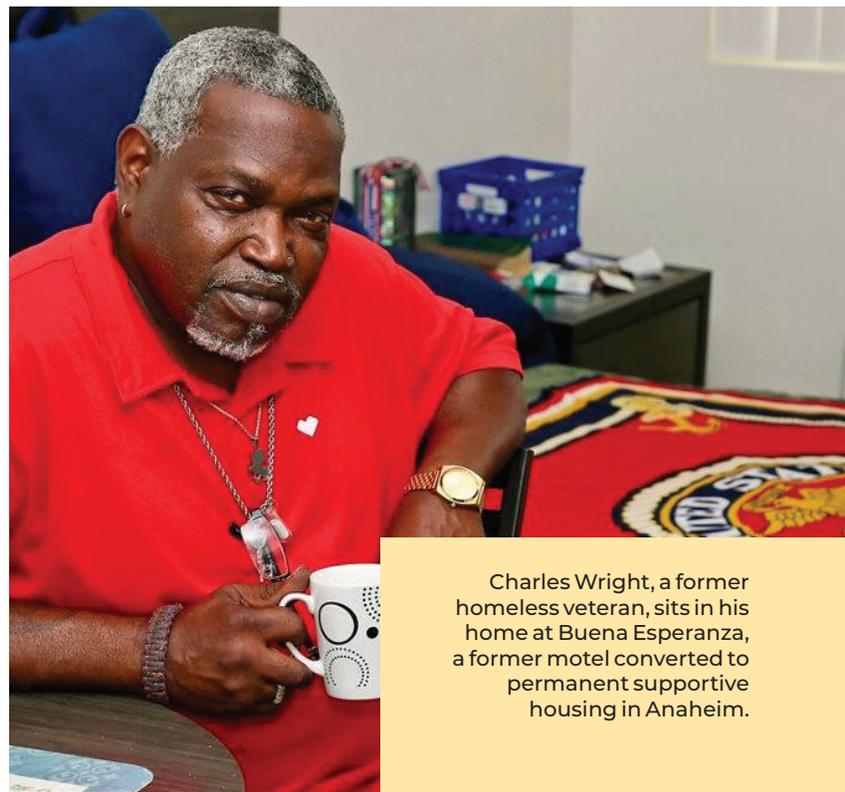
The Public Housing program was established in the 1930s to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. Nationally, there are approximately 1.2 million families living in public housing and nearly 32,000 in California. Public housing is funded by the U.S. Department of Housing and Urban Development (HUD) and owned and operated by local housing authorities.

Since the 1970s, operation and maintenance of public housing properties has relied on annual subsidies appropriated by Congress to supplement the affordable rents paid by tenants. However, even with the subsidies provided by Congress, the program has been chronically underfunded, especially capital improvements needed to fix roofs, plumbing, electrical systems, etc. As a result, a significant portion of the nation's public housing stock (hundreds of thousands of units) has been lost since the 1970s, and what remains is often substandard.

Preservation and new financing tools are the key to maintaining this deeply affordable housing resource.

Benefits of the Public Housing program to California

Public housing provides shelter to extremely low- and low-income families and individuals via some of the most deeply affordable housing in the U.S. today. Without the public housing program, homelessness would increase significantly throughout California. There is a tremendous need to preserve this affordable housing resource for generations to come.



Charles Wright, a former homeless veteran, sits in his home at Buena Esperanza, a former motel converted to permanent supportive housing in Anaheim.



Rob Fredricks, Executive Director of Housing Authority City of Santa Barbara, advocating for more permanent supportive housing.

Homelessness

Homelessness continues to be a national crisis that the country is struggling to resolve. According to the 2020 Annual Homeless Assessment Report (AHAR) to Congress, on a single night in January 2019, 580,466 people were experiencing homelessness in the United States. Nearly 2/3rds of these people were staying in sheltered locations and more than 1/3 (39%) were in unsheltered locations. With the continuation of the COVID-19 pandemic, communities across the nation are experiencing even higher numbers of people in need.

Thankfully, the American Rescue Plan Act provided \$1.14B in funding for new Emergency Housing Vouchers to help 70,000 homeless individuals and families obtain needed housing. Unfortunately, this funding only just begins to address the issue. More homes are needed in addition to rental assistance. Nationally, we have a deficit of over 3,000,000 homes. A recognition that housing is a human right is essential as a first step.

The issue is nowhere worse than in California, which has 28% of all homeless people in the nation even though the state's population makes up only 11.97% of the nation's².

California has the dubious distinction of being one of two states with the largest number of people experiencing homelessness and a high rate of unsheltered homelessness. This high rate of homelessness is painfully visible throughout the entire state on city sidewalks, freeways, parks, and suburban strip malls. California has provided unprecedented levels of funding this past year under Project Homekey to assist local communities in providing both bridge housing and permanent housing. These programs have demonstrated that lives can be saved as a result of stable housing and access to healthcare, with proper targeted funding for shelter and services.

Unfortunately, there remains a tremendous need for new affordable units and supportive services that must be provided if we are going to have a positive impact on reducing homelessness in our communities.

² U.S. Census and 2020 AHAR Report

National Numbers

- ▶ **580,466** people were homeless on a given night, representing an overall 2.7 percent increase from 2018.
- ▶ **53,739** families with children experienced homelessness, unchanged from 2019.
- ▶ **37,252** veterans experienced homelessness, an increase of 0.5% from 2019.



California by the Numbers

Homelessness in California increased by **6.79%** a 150% greater rise than the national increase of 2.7%.

161,548 homeless – 28% of the U.S. homeless population lives in California

51,290 homeless individuals in Los Angeles City & County on a given night (nearly 9% of the U.S. homeless population)

113,660 unsheltered homeless (67% of all homeless in the state and 50% of all unsheltered homeless in the United States)

The estimated number of individuals experiencing long-term, chronic homelessness increased by

24.3% between 2019 and 2020. This rise was concentrated on the West Coast, with the largest increases in California



CAHA respectfully urges Congress to:

Housing Choice Voucher

- ▶ **SUPPORT** expansion of the voucher program making Housing Vouchers available to ALL families who qualify.
- ▶ **RESTORE** California's ability to house families by increasing funding for Housing Choice Vouchers to allow PHAs to administer ALL of their vouchers.
- ▶ **REFORM** the FMR methodology, ensuring that expensive rental markets throughout the state get reasonable inflation adjustments to their funding.
- ▶ **ENCOURAGE** greater participation from landlords by providing flexible funds to housing authorities for landlord incentives, security deposits, loss mitigation programs, and recruitment or retention bonuses.
- ▶ **STIMULATE** the development of affordable housing by increasing the cap on Project Based Vouchers, allowing PHAs to support new affordable units.
- ▶ **EMPOWER** Housing Authorities to respond to local needs by fully funding administrative fees.
- ▶ **LEVERAGE** the modernization and innovation developed by formally adopting any COVID waivers that allow PHAs to work more efficiently.

Public Housing

- ▶ **ENSURE** long term preservation by fully funding public housing operating subsidies at 100% and by providing \$75 billion in back logged capital funding repair needs
- ▶ **SUPPORT** HUDs innovative new RAD tools, including Faircloth to RAD, Section 18 disposition and Streamlined Voluntary Conversion process at appropriate long term funding levels to stabilize and preserve public housing assets.
- ▶ **REPEAL** the Faircloth Amendment which prohibits the construction of new public housing. This will permit a net increase in the affordable housing offered by PHAs.

Community Development Program

- ▶ Fund HOME and CDBG at levels to support affordable housing use version of the Build Back Better Act (\$9.925 billion for the HOME program and \$3.05 billion for the CDBG program.
- ▶ Increase the HOME program admin cap to 15%.
- ▶ Approve and make permanent the COVID 19 waiver for the 15% CHDO (Community Housing Development Organization) requirement.
- ▶ If the CHDO requirement is not eliminated, amend the final HOME rule to allow Housing Authorities to be CHDOs by right.
- ▶ Approve and make permanent the COVID 19 waivers that allow jurisdictions to eliminate the commitment timing requirement. Retain the expenditure deadline, including the set-aside, to be set at seven years.
- ▶ Eliminate HOME match requirement.
- ▶ Allow HOME Tenant Based Rental Assistance (TBRA) to be project-based and allow TBRA to be used under the CHDO set-aside.
- ▶ Eliminate the separate and unique HOME rent level requirements due to the administrative burden. Allow jurisdictions to set the HOME levels at the local tax credit rent levels.
- ▶ Protect and strengthen the Community Reinvestment Act (CRA) to target investments in specific geographic underserved areas.
- ▶ Extend expenditure deadlines for ESG-CV funds.

Homelessness

- ▶ **PROVIDE** additional flexible funding for housing assistance for Continuum of Care Rental Assistance.
- ▶ **EXPAND** intensive wrap-around services and mental health support to ensure housing retention for those moving from homelessness.
- ▶ **INCREASE** funding for navigators to help connect people to housing.

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