



2023 LEGISLATIVE FOCUS

- 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 asset-building.
- 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.

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 2023 continues to have the greatest health, housing, and economic challenges our nation has seen in generations. Coming out of 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 and floods 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

THE NEED FOR AFFORDABLE HOUSING

OVER 6 MILLION CALIFORNIANS

(nearly 16% of the state's 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 necessary for a full-time worker to afford the average two-bedroom apartment in California.
IS THE AVERAGE HOURLY WAGE

89 HOURS OF WORK PER WEEK

are necessary to afford a one-bedroom apartment on minimum wage in California.

49% of the nation's unsheltered homeless reside in California.

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.

\$2.97 BILLION rent subsidy payments to private 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.

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.

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.



COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIP PROGRAMS

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.

EVICITION PROTECTION

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 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 assistance.



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 TO 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.

HOMELESSNESS

Homelessness continues to be a national crisis that the country is struggling to resolve. According to the 2022 Annual Homeless Assessment Report (AHAR) to Congress, on a single night in January 2022, 582,500 people were experiencing homelessness in the United States. Nearly 60% of these people were staying in sheltered locations and more than 40% 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 30% of all homeless people in the nation even though the state's population makes up only 11.97% of the nation's.



Figure 1: QR Code to the 2022 AHAR

California has 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.

30% of the U.S. homeless population lives in California.

BY THE NUMBERS

NATION



582,500 PEOPLE

were homeless on a given night, representing an overall less than one percent increase from 2020

161,070 FAMILIES

with children experienced homelessness, representing a 6.4% decrease from 2020

33,129 VETERANS

experienced homelessness, a decline of 11% from 2020

CALIFORNIA



65,111 HOMELESS

individuals in Los Angeles City & County on a given night (nearly 11% of the U.S. homeless population)

6.2% INCREASE

in homelessness in California - a 150% greater rise than the national increase of 2.7%

115,491 UNSHELTERED

homeless accounting for half of all unsheltered people in the country

57,760 CHRONIC HOMELESSNESS

33% of all homeless within the state were individuals experiencing long-term, chronic homelessness. California accounts for 56% of all unsheltered individuals with chronic patterns of homelessness in the United States.