



SCAG HOUSING POLICY FORUM SERIES

S O U T H E R N C A L I F O R N I A A S S O C I A T I O N O F G O V E R N M E N T S

California State Budget—FY 2021-22

The state budget for FY 2021-22 (covering the period July 1, 2021, through June 30, 2022) includes over \$22 billion in funding for programs that address the state's housing and homelessness needs. Included in this amount are regular programs administered by the state, like the Low-Income Housing Tax Credit Program and homebuyer programs administered by the Department of Veteran's Affairs and the California Housing Finance Agency, but also new funds announced as a part of the Governor's California Comeback Plan. According to the Governor's Office, the \$22 billion housing and homelessness investment will create more than 84,000 housing opportunities for homeless residents and lower-income families.

In addition to funding for programs, the budget also includes \$4.3 million for the newly launched Housing Accountability Unit at the State Department of Housing and Community Development. The HAU will be empowered to enforce housing accountability and compliance with RHNA goals.

Here are the categories under which some of the key programs are funded:

- Homelessness
- Production and Preservation of Affordable Housing (Multi-family)
- Production and Preservation of Affordable Housing (Homeownership)
- Protect Tenants and Prevent Displacement



Homelessness

Program Name	Purpose	Funding Amount	Applicants	Five Ps
Project Homekey	Grants to purchase and rehabilitate buildings to provide interim or permanent long-term housing for persons experiencing homelessness. Expected to finance the conversion of more than 42,000 hotel and motel rooms into new homes for homeless residents.	\$2.75 billion over two years (including \$116 set aside for homeless youth or youth at risk of homelessness)	Local government, independently or in partnership with a nonprofit or for-profit corporation	Produce Housing for All Preserve Vulnerable Housing
Homeless Housing, Assistance, and Prevention	Grants to support regional coordination and develop a regional response to homelessness.	\$2 billion over two years	Local continuums of care The 13 largest cities in the State	Produce Housing for All Prevent Displacement
Project Roomkey	One-time General Fund support to help transition people from Project Roomkey temporary living situations into permanent housing.	\$150 million	Local government	Protect Tenants
Homeless Challenge Grants and Technical Assistance	One-time General Fund support to the Homeless Coordinating and Financing Council (HCFC) to provide grants and technical assistance to develop plans to address family homelessness.	\$40 million	Local government	Produce Housing for All
No Place Like Home Program	Funding to develop Permanent Supportive Housing.	\$400 million	Counties, independently or in	Produce Housing for All



Program Name	Purpose	Funding Amount	Applicants	Five Ps
			partnership with developers	Preserve Vulnerable Housing

Production and Preservation of Affordable Housing (Multi-family)

Program Name	Purpose	Funding Amount	Applicants	Five Ps
California Housing Accelerator Program	Funding to address backlogged affordable housing development related to the federal bond cap (including \$50 million under the Joe Serna Farmworker Grant Program). Expected to finance more than 6,300 new homes.	\$1.75 billion	Developers (for a distinct number of projects that were stalled due to limitations on bond funding)	Produce Housing for All Preserve Vulnerable Housing
Regional Early Action Planning Grants	One-time funding for planning and implementation grants for projects that help address the state’s climate goals. Funding targets new housing development, particularly in infill areas near public transit, and the revitalization of existing communities and corridors.	\$600 million	Local government	Produce Housing for All Preserve Vulnerable Housing
Additional State Low-Income Housing Tax Credits	A third year of increased state tax credits.	\$500 million	Developers	Produce Housing for All Preserve Vulnerable Housing



Program Name	Purpose	Funding Amount	Applicants	Five Ps
Preservation of Deed Restricted Housing	Funding provided through the American Rescue Plan Act to ensure that developments funded by the Department of Housing and Community Development (HCD) remain affordable after affordable covenants expire.	\$300 million	Developers	Preserve Vulnerable Housing
Higher Education Student Housing Grant Program	One-time grants to develop affordable student housing, with half of the funds dedicated to planning and feasibility studies and the other half for housing development, including acquisition/rehabilitation. Another \$750 million may be available in FY 2022-23 and FY 2023-24 upon appropriation by the Legislature.	\$500 million	California Community Colleges (50%) California State University (30%) University of California (20%)	Produce Housing for All Preserve Vulnerable Housing Protect Tenants
Affordable Housing and Sustainable Communities Program	Administered by the Strategic Growth Council and implemented by the Department of Housing and Community Development (HCD).	\$426 million	Local public agencies Developers or program operators	Produce Housing for All
Building Homes and Jobs Fund	Funding to help cities accelerate housing production and streamline the approval of housing development.	\$233.8 million	Local government	Produce Housing for All Preserve Vulnerable Housing
Infill Infrastructure Grants	One-time General Fund monies and reallocation of other funds to finance critical	\$250 million	Local government Developers	Produce Housing for All



Program Name	Purpose	Funding Amount	Applicants	Five Ps
	infrastructure associated with affordable housing development.			Preserve Vulnerable Housing
Special Needs Housing Program	Administered by the California Housing Finance Agency (CalHFA), provides funding for the development of Permanent Supportive Housing.	\$15 million	Local government Housing developers	Produce Housing for All Preserve Vulnerable Housing

Production and Preservation of Affordable Housing (Homeownership)

Program Name	Purpose	Funding Amount	Applicants	Five Ps
Homebuyer Assistance Program	Expansion of the Homebuyer Assistance Program administered by the California Housing Finance Agency (CalHFA) to reach lower-income households and expand the lender network to address the wealth gap.	\$100 million	First-time homebuyers	Produce Housing for All Promote Equity and Inclusion
Accessory Dwelling Unit Financing Program	\$25,000 in assistance to help residents build ADUs administered by the California Housing Finance Agency (CalHFA).	\$100 million	Low- and moderate-income households	Produce Housing for All

Protect Tenants and Prevent Displacement

Program Name	Purpose	Funding Amount	Applicants	Five Ps
COVID-19 Rent Relief Program	Funding provided by the American Rescue Plan Act (ARPA) to provide rental assistance to families impacted by the pandemic. Funds can assist families in addressing outstanding rent payments, prospective rent payments, utilities and home energy costs, and other housing costs related to the pandemic.	\$5.2 billion	Local governments	Protect Tenants Prevent Displacement Promote Equity and Inclusion
Foreclosure Intervention Housing	One-time General Fund monies to Department of Housing and Community Development (HCD) to provide loans and grants to preserve affordable housing and	\$500 million	Nonprofit organizations and Community Land Trusts	Preserve Vulnerable Housing Promote Equity and Inclusion



Program Name	Purpose	Funding Amount	Applicants	Five Ps
Preservation Program	promote resident or nonprofit ownership of housing at risk of foreclosure.			
Mortgage Assistance	Federal Coronavirus State Fiscal Recovery Funds to provide mortgage assistance and other help to ensure housing stability administered by the California Housing Finance Agency (CalHFA).	\$1 billion	Homeowners	Prevent Displacement
Student Basic Needs	Funding for a wide range of student support, including rapid rehousing, wraparound services, and rental subsidies for eligible students to be distributed over a three-year period.	\$100 million	California Community Colleges	Prevent Displacement Protect Tenants