

Date of Hearing: July 3, 2019

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

David Chiu, Chair

SB 623 (Jackson) – As Amended April 10, 2019

**SENATE VOTE:** 38-0

**SUBJECT:** Multifamily Housing Program: total assistance calculation

**SUMMARY:** Provides that the Department of Housing and Community Development (HCD), in determining the proportion of the funds available for senior citizens in the Multifamily Housing Program (MHP), use the American Community Survey (ACS), instead of the decennial census, from the US Census Bureau (Bureau) Specifically, **this bill:**

**EXISTING LAW:**

- 1) Creates the MHP under HCD, which finances the construction, rehabilitation, and preservation of permanent and transitional rental housing for lower-income households.
- 2) Requires that of the total assistance provided under the MHP, a specified percentage that is proportional to the percentage of lower-income renter households in the state that are lower-income elderly renter households, as reported by the United States Department of Housing and Urban Development (HUD) on the basis of the most recent decennial census conducted by the Bureau, be awarded to units restricted to senior citizens. That calculation, known as the total assistance calculation, excludes assistance for certain projects related to housing for the homeless, homeless youth, and persons with disabilities.

**FISCAL EFFECT:** Unknown

**COMMENTS:**

*Purpose of the bill.* According to the author, “Over the next two decades, California’s senior population is expected to nearly double. This means it will be 87% higher in 2030 than it was in 2012, or an increase of more than four million people. As these seniors will be living longer, the need for housing suitable for the elderly will be even more necessary. [This bill] will help address the housing needs of seniors by codifying the current practice of the Department of Housing and Community Development of using updated census data (the American Community Survey) to determine the amount of assistance the Department provides for the building of housing for senior citizens through its Multifamily Housing Program. Because the senior population is increasing relative to the rest of the population, using updated data will assure that the needs of seniors are more adequately met.”

*MHP.* MHP, HCD’s flagship program, which finances the new construction, rehabilitation, or acquisition and rehabilitation of permanent or transitional rental housing, and the conversion of nonresidential structures to rental housing for lower-income households. Eligible applicants include local public entities, for-profit and nonprofit corporations, Indian reservations and Rancherias. Last year, the voters approved the passage of Proposition 1, which provided \$1.5 billion for MHP. HCD released draft guidelines for MHP in January and is on track to release the first notice of funding availability this spring.

*ACS Data.* According to the USCB web site, the ACS “collects data on an ongoing basis, January through December, to provide every community with the information they need to make important decisions. We release new data every year, in the form of estimates, in a variety of tables, tools, and analytical reports.” The Decennial Census, as the name suggests, is conducted every 10 years, and determines the number of people living in the United States.

This bill would clarify that, in order to determine the proportion of funds that are available for senior citizens, HCD shall use the most recent ACS or successor survey conducted by the United States Census Bureau, instead of the decennial census. HCD is already using the data from the ACS; this bill would codify practice.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

AARP California  
California Commission On Aging  
Christian Church Homes  
Episcopal Communities & Services  
Human Good  
LeadingAge California  
Pep Housing  
Retirement Housing Foundation  
Santa Clara Methodist Retirement Foundation  
TELACU

##### **Opposition**

None on file.

**Analysis Prepared by:** Lisa Engel / H. & C.D. / (916) 319-2085