

This bill:

- 1) Requires cities to include progress towards meeting their share of regional housing needs for ELI households in their APR.

COMMENTS:

- 1) *Author's Statement.* “Many extremely low-income (ELI) households are dealing with widening income inequality, which is compounded by a severe housing shortage. About half of the people considered ELI are children and seniors, and almost half of working-age adults with extremely low incomes are essential workers. As the state continues to focus on addressing our housing and investing state dollars, we need to have a better understanding how these efforts help our extremely low-income households. The additional data AB 2094 will provide will help ensure that state policymakers are able to make the most informed decisions possible in this regard.”
- 2) *Housing crisis and ELI households.* California’s housing affordability crisis disproportionately affects lower income residents. This is because most lower income households are “cost burdened,” in that the high cost of housing leaves insufficient money to pay for other household necessities, such as food, transportation, and health care. In California, nearly 90 percent of the state’s nearly 2.4 million ELI residents are cost burdened.¹ By comparison, 42 percent of moderate-income households (making between 80 to 120 percent of the area median income (AMI)) are cost burdened, and that figure drops to 11 percent of households making over 120 percent AMI.² Further, because they are prone to housing insecurity, ELI residents are highly at risk of becoming homeless, or are already among the state’s over 160,000 unhoused individuals.³
- 3) *Housing elements and APRs.* Existing law requires every city and county to prepare a housing element as part of its general plan. This is done every eight years by local governments located within the territory of a metropolitan planning organization (MPO) and every five years by local governments in rural non-MPO regions. Each community’s fair share of housing is determined through the regional housing needs allocation (RHNA) process, which is composed of three main stages: (1) the Department of Finance and HCD develop regional housing needs estimates; (b) councils of government (COGs) allocate housing within each region based on the estimates; and (c) cities and

¹ California Housing Partnership Corporation’s [“California Affordable Housing Needs Report 2021.”](#)

² IBID

³ The most recent available data from the [US Interagency Council on Homelessness](#) lists the amount at 161,548. However, this data is based on counts conducted pre-pandemic. The results of recent counts are expected to be much higher.

counties incorporate their allocations into their housing elements. The housing element must contain an inventory of land suitable for residential development, which is used to identify sites that can be developed for housing within the planning period and are sufficient to provide for the locality's share of the regional housing need for all income levels. Each jurisdiction must submit an APR to HCD documenting its progress toward meeting its RHNA allocation and the plans outlined in its housing element.

This bill requires locals to include their progress towards meeting their share of regional housing needs for ELI households in their APR, which would add to the requirements to track progress for very low-income, low-income, moderate-income, and above moderate-income households.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, May 25, 2022.)

SUPPORT:

Board of Supervisors President Keith Carson, County of Alameda
Councilmember Zach Hilton, City of Gilroy
Mayor Jesse Arreguin, City of Berkeley
Mayor Sam Liccardo, City of San Jose
Supervisor Jim Spering, County of Solano
AIDS Healthcare Foundation
All Home
Bay Area Community Services
Bay Area Council
California Apartment Association
California Housing Partnership
California Rural Legal Assistance Foundation
California YIMBY
City of Oakland
County of San Mateo Board of Supervisors
Destination: Home
East Bay Housing Organizations
Glide Foundation
Housing Action Coalition
Housing California
Midpen Housing
Non-Profit Housing Association of Northern California (NPH) Action Fund

Orange County United Way
Saint Francis Foundation
Silicon Valley Community Foundation
SPUR
SV@Home Action Fund
The Two Hundred
The United Way of Greater Los Angeles
Western Center on Law & Poverty

OPPOSITION:

None received.

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