



**California
Housing
Partnership**

*California's Experts on Affordable
Housing Finance, Advocacy & Policy*

PATH FORWARD: GETTING TO ZERO CARBON EQUITABLY

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Why electrify affordable housing?

- Gas infrastructure, stranded assets
- Considerable increase in gas rates
- Health concerns
- Increasing climate related emergencies
- Programs and incentives that support electrification in low-income multifamily buildings but largely for existing buildings

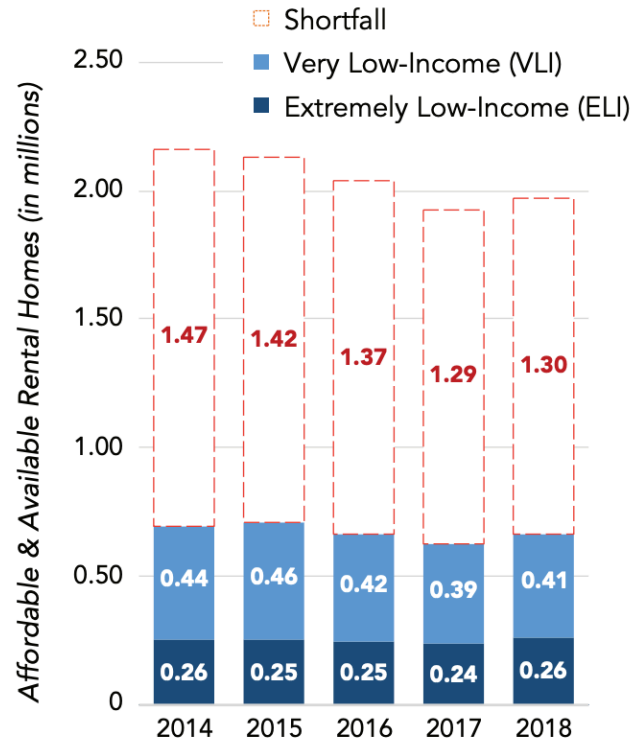
Programs Funding Decarb Efforts

- Existing Buildings
 - Low Income Weatherization Programs (LIWP)
 - Solar On multifamily Affordable Housing (SOMAH)
 - Self Generation Incentive Program (SGIP)
 - Local REN, CCA programs
- New Construction
 - Building Initiative for Low Emissions Development (BUILD)

What are we waiting for then?

CALIFORNIA NEEDS 1.3 MILLION MORE AFFORDABLE RENTAL HOMES

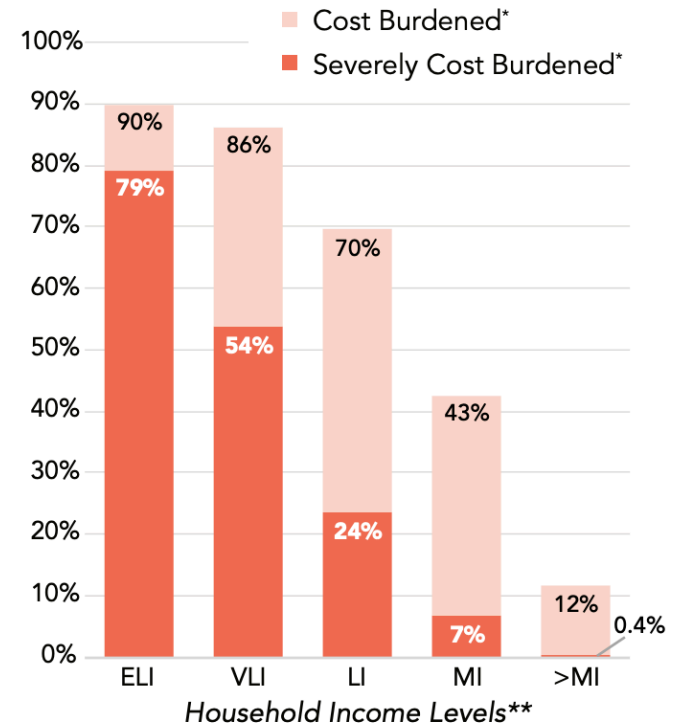
While the shortfall has declined by 11% since 2014, the share of housing need not being met has remained relatively constant because the number of low-income households has also declined.*



Source: California Housing Partnership analysis of 2018 1-year American Community Survey (ACS) PUMS data with HUD income levels. Methodology was adapted from NLIHC gap methodology.

*The proportion of total unmet housing demand for low-income renters (shortfall / total demand) from 2014 to 2018, was 68%, 67%, 67%, 67%, and 66%, respectively.

79% OF CALIFORNIA'S EXTREMELY LOW-INCOME HOUSEHOLDS ARE SEVERELY COST BURDENED COMPARED TO 7% OF MODERATE-INCOME HOUSEHOLDS



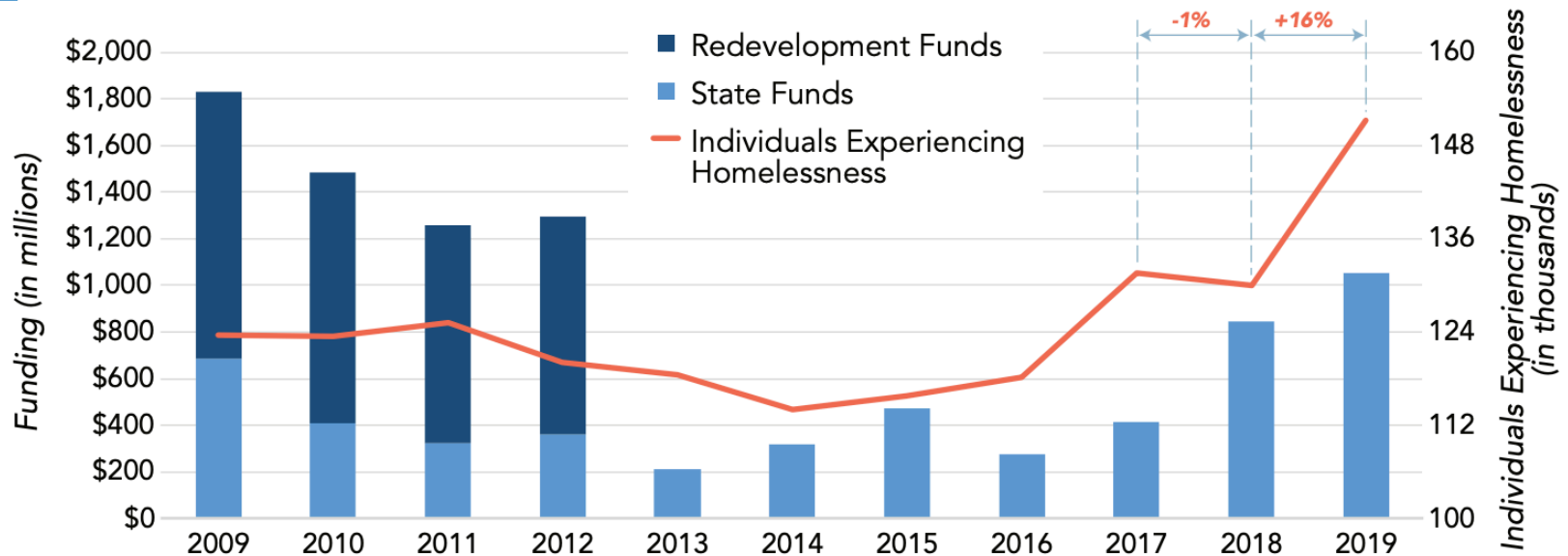
Source: California Housing Partnership analysis of 2018 1-year American Community Survey (ACS) PUMS data with HUD income levels. Methodology was adapted from NLIHC gap methodology.

*Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

**ELI: Extremely Low-Income, VLI: Very Low-Income, LI: Low-Income, MI: Moderate-Income, >MI: Above Moderate-Income

Housing Financing Landscape and Other Cost Considerations

DESPITE THE 2017 HOUSING PACKAGE, STATE FUNDING STILL FALLS SHORT, UNDERMINING PROGRESS ON HOUSING INDIVIDUALS EXPERIENCING HOMELESSNESS



Source: California Dept. of Housing and Community Development (HCD) Redevelopment Housing Activities Report 2009 -2011. HCD Program Reports, 2009-2019. U.S. Dept. of Housing and Urban Development (HUD) PIT and HIC Data since 2007. California Business, Consumer Services and Housing Agency, Homeless Emergency Aid Program, 2018. California Strategic Growth Council Affordable Housing and Sustainable Communities Program, 2014-2019. Note: Fiscal years are represented by the second half of the fiscal year (e.g. FY 2008-2009 is presented as 2009).

Other Challenges

- Developer size
- Property size
- Portfolio region and disparate local reach codes
- Maintenance staff and vendors
- Availability of equipment that have operating history, contractor availability and experience, willingness of the team
- Equipment challenges: central domestic hot water and laundry systems
- Resilience during shut offs and storage issues
- System Sizing issues

Partnership-led Affordable Housing Convenings

- Gas stoves
 - EV
- Prevailing Wages
 - Costs
- Commercial lease
 - Funding
 - Risks

Recommendations

- T24 and housing program alignment
- Increased Technical Assistance
- Just more funding (like SB 1477)
- Guidance document for property managers on how to be decarb ready
- Training: residents, contractors, engineers
- Fast- tracking permits both from utilities and code enforcement
- Pilot decarb buildings in different regions and track costs gaps
- Huge opportunity to do health related upgrades
- Align goals of providing affordable housing and electrification

Resources

- 2020 California Affordable Housing Needs Report: <https://chpc.net/resources/2020-statewide-housing-needs-report/>
- COVID-19 Exacerbates Cost of Living Challenges Throughout the State: <https://chpc.net/covid-19-exacerbates-cost-of-living-challenges-throughout-the-state/>
- To release in Q1 2021: Guidance document on Affordable Housing Decarbonization