

ASSEMBLY BILL 2006 (BERMAN)

STREAMLINING THE MONITORING OF AFFORDABLE HOUSING

SUMMARY

Today, up to three different state agencies provide compliance monitoring on affordable housing developments. AB 2006 directs these agencies to coordinate their efforts – making the work of the state and affordable housing providers easier and more efficient and helping focus resources where they should be: on providing safe, affordable housing for California residents.

THE PROBLEM

When an affordable housing development receives financing from the state, the project enters into a regulatory agreement with the entity, and the entity monitors the development to ensure compliance with affordability, maintenance, financial, and other requirements.

Affordable developments frequently receive financing from more than one state entity, leading to multiple state entities providing overlapping compliance monitoring.

State leaders have been working for years to accelerate production and increase the efficiency of the affordable housing finance system. It is time to also streamline the state's oversight system once these units are built.

THE SOLUTION

AB 2006 will streamline the oversight currently done by multiple agencies. This bill will effectively help lower costs for our state's private sector partners. It will help make the work of both state and affordable housing providers easier by helping us focus on using our resources to develop more affordable housing. Specifically, this bill would:

- Require the Department of Housing and Community Development, the California Housing Finance Agency, and the California Tax Credit Allocation Committee to enter into a memorandum of understanding to streamline the compliance monitoring of affordable housing developments that are subject to a regulatory agreement with more than one of these entities.
- Specify that the memorandum of understanding ensure that only one entity conducts physical inspections for a particular project, eliminates the submittal of duplicate information, and provides a single process to obtain required approvals.

SUPPORT

California Housing Consortium (co-sponsor)
California Housing Partnership (co-sponsor)

FOR MORE INFORMATION

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