SENATE COMMITTEE ON HOUSING

Senator Scott Wiener, Chair 2021 - 2022 Regular

Bill No: AB 1961 **Hearing Date:** 6/21/2022

Author: Gabriel

Version: 6/14/2022 Amended

Urgency: No Fiscal: Yes

Consultant: Andrew Dawson

SUBJECT: Affordable housing: Department of Housing and Community Development

DIGEST: This bill requires the Department of Housing and Community Development (HCD) to coordinate with state and local partners to create an online database with affordable housing listings, information, and tenant applications.

ANALYSIS:

Existing law:

1) Requires all jurisdictions to prepare an annual progress report of its status and progress in implementing its housing element and submit it to HCD.

This bill:

- 1) Defines "affordable housing" and any "multifamily deed restricted rental housing accommodation" as housing constructed with financing from one or more of the following sources: federal or state low income tax credits, housing choice vouchers, funding awarded by HCD, the California Housing Finance Agency, and local government funding.
- 2) Requires HCD to create an online database of affordable housing listings, information, and applications in coordination with state and local partners, including, but are not limited to state entities within the Business, Consumer Services, and Housing Agency, councils of governments, and metropolitan planning organizations.
- 3) Requires the database to include:
 - a) The data necessary for prospective tenants to do all of the following:

- i. Submit electronic applications online;
- ii. Access instructional information in multiple languages;
- iii. Store information online for reuse in applying for multiple apartment listings;
- iv. Request automatic notification by email of new affordable housing vacancy listings;
- v. Receive notification and a confirmation number for their application; and
- vi. Obtain an updated status of their place on eligibility lists.
- b) The data necessary for managers of affordable housing developments to do all of the following:
 - i. Access the database through a user account;
 - ii. Create and update affordable housing vacancy lists;
 - iii. View and respond to individual applications submitted by a prospective tenant;
 - iv. Facilitate the application process based on preferences established by each jurisdiction.

4) Requires the database to:

- a) Be available 24 hours a day, seven days a week, with 99% planned uptime rating.
- b) Support 2,000,000 application records.
- c) Support 50,000 concurrent full-access users.
- d) Support applications in multiple languages.
- e) Support hosting user guides, instructional resources, and overviews of the application process and website.
- f) Compliance with state protections related to personally identifiable information.
- g) Compliance with state and federal fair housing laws and regulations.
- 5) Provides that the bill's provisions will become operative only upon appropriation of sufficient funds and that the database will be accessible no later than 24 months after the appropriation.

COMMENTS:

1) Author's Statement. According to the author, "Low-income households face significant barriers to finding affordable housing that meet their needs. Often,

prospective applicants must submit paper applications, going from development to development – sometimes owned and operated by the same entities – simply to apply for a unit. California needs a centralize database of affordable housing availability to ensure that individuals can locate and easily apply for housing. This database would dually serve as a valuable resource for information on the state's supply of affordable housing units."

2) *Background on Affordable Housing*. According to the California Housing Partnership, there are over 500,000 deed-restricted, multifamily, affordable housing rental units in California.¹ This requires the housing to be offered to low-income households at an affordable rent, 30% of household income. Because of this, projects with affordable units often need government money in the form of bonds, tax credits, or grants for financing. Some departments involved include the State Treasurer's Office (STO), State Controller's Office, and HCD. The STO has a map for projects that use tax credits for financing.² This bill would have various departments and localities partner to create this database.

Currently there are not many centralized platforms for low-income Californians to learn about or apply to vacancies in deed-restricted affordable rental housing. As a result, low-income households seeking rental housing accommodations are generally forced to search across a number of rental housing listing services that may include a mix of non-subsidized housing and deed-restricted affordable housing. To complicate matters further, many deed-restricted affordable units are only available to certain sub-populations of low-income renters. For example, units can be specified for use only by seniors, veterans, or households considered very-low income. However, prospective tenants lack an easy way to identify which deed-restricted affordable units have vacancies that they meet the eligibility criteria for.

This bill aims to create a centralized database of affordable housing units so that low-income households can find housing easier.

3) San Francisco and DAHLIA. San Francisco City and County invested in creating a platform similar to what is proposed by this bill. It took the vendor, Exygy, more than seven years to create this database, called DAHLIA.³ When it first started, the website only had the listings available. Now, the website has listings, connections to housing counselors, document checklists, online

¹ California Housing Partnership. "Affordable Homes At Risk." February 2022.Accessed June 2022. https://lp08d91kd0c03rlxhmhtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2022/02/Affordable-Homes-At-Risk-Report-2022.pdf

² State Treasurer's Office. Project Mapping. Accessed June 2022. https://www.treasurer.ca.gov/ctcac/projects.asp

³ DAHLIA San Francisco Housing Portal. Accessed June 2022. https://housing.sfgov.org/

applications, unit matching, and availability in multiple languages. Because of its success, other Bay Area cities and counties, for example San Jose and Alameda, have launched similar programs, and the Bay Area Housing Finance Authority is working to make this a Bay Area wide website. Similar to DAHLIA, they all started with the listings first before building in other features. Because the code is open sourced, and Exygy has experience creating this database, it took much less than seven years to get other programs started.

This bill authorizes HCD to build this platform statewide and allows HCD to contract with vendors to construct the database. HCD has experience with databases that update regularly in the newest iteration of the APR Dashboard. This dashboard updates as localities revise their information and track their status. However, localities are required to provide this information for the APR dashboard to HCD, which makes it easier for HCD build a comprehensive dashboard. This bill, however, puts the burden on HCD to collect the data.

RELATED LEGISLATION:

AB 2406 (Wicks, 2020) — would have required HCD to establish an online rental registry of properties that received state or federal rental assistance funds provided in response to the COVID-19 state of emergency. *This bill was held in the Assembly Suspense file*.

AB 724 (Wicks, 2019) — would have created a rental registry for properties that met certain criteria. *This bill was held in the Assembly Appropriations Suspense file*.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 15, 2022.)

SUPPORT:

Housing California (Co-Sponsor)
Resident United Network (Co-Sponsor)
Brilliant Corners
California Housing Partnership Corporation
East Bay Housing Organizations
Hope Community Services

⁴ San Jose Housing Portal. Accessed June 2022. <u>City of San José Housing Portal (sanjoseca.gov)</u>

⁵ Alameda County Housing Portal. Accessed June 2022. <u>Alameda County Housing Portal (acgov.org)</u>

Marin Environmental Housing Collaborative San Diego Regional Task Force on Homelessness United Way of Greater Los Angeles

OPPOSITION:

None received.

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