



Legislative Priorities



There is an ongoing shortfall of 1.2 million homes affordable to lower-income households in California. As a leading Bay Area non-profit developer and provider of deed-restricted affordable rental housing, **Resources for Community Development** is on the front lines of addressing this affordable housing crisis.

In 2025, we are looking to the Legislature to make bold new investments and take catalyzing actions to facilitate the production of new affordable homes.

Our Priority Issues

Expand Affordable Housing Investments



Reduce the Cost of New Development



Support Operational Sustainability



Expand Affordable Housing Investments

California needs permanent, sustainable, and consistent sources of funding for new affordable housing development. Non-profit developers, like RCD, are rising to meet the community's housing needs with a diverse pipeline of planned projects. Recent one-time expenditures via Proposition 1 (2018; \$4B) and the Coronavirus State Fiscal Recovery Fund (2022; \$1.75B) have funded over 90,000 new affordable rental homes since 2019. However, these major dedicated funding sources are all now committed. Enterprise Community Partners estimates that an additional \$2.6 billion in state subsidy is required to finance the 47,000 homes currently planned statewide.



\$2.6 billion

in state subsidy needed to move the affordable housing pipeline forward

Funding for the state’s flagship affordable housing program, the Multifamily Housing Program (MHP), is now entirely dependent on the annual budget process. MHP funds deeply affordable projects that serve California’s most vulnerable residents. In the last two rounds of MHP alone, the program has provided funding for over 3,100 new affordable homes. MHP enables non-profit developers like RCD to deliver high-quality, service-enriched homes that are responsive to local community preferences and needs:



**Sango Court
Milpitas, CA**

Sango Court is RCD’s newest affordable housing development, located approximately half a mile away from the Milpitas BART station. It provides 102 homes for low-income households, including 51 units permanent supportive housing for people exiting chronic homelessness.

Sango Court received a \$14.5M award from MHP.

Another significant source of affordable housing funding is the Greenhouse Gas Reduction Fund (GGRF), the fund comprised of auction proceeds from cap-and-trade. The GGRF funds the Affordable Housing and Sustainable Communities (AHSC) program, which awards affordable housing and transportation projects near jobs, schools, and other daily destinations. Since 2014, AHSC has facilitated the construction of 15,324 affordable homes and saved 4.4 million metric tons of greenhouse gas emissions by creating communities where residents don’t have to drive:



**Coliseum Place
Oakland, CA**

Completed in 2021, Coliseum Place provides 59 units of affordable housing in a zero-net energy building in East Oakland. The project’s AHSC award also funded a Bus Rapid Transit line along the nearby International Boulevard corridor and a portion of the East Bay Greenway, a new bicycle and pedestrian corridor.

Coliseum Place received a \$14M award from AHSC.

2025 To-Do

To continue to address the affordable housing needs of California’s low income residents, the Legislature should:

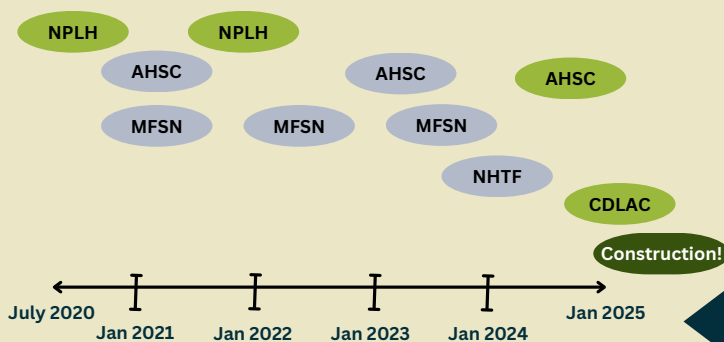
- Maintain budget investments in the Multifamily Housing Program (MHP)
- Expand Greenhouse Gas Reduction Fund (GGRF) investments in the Affordable Housing and Sustainable Communities (AHSC) program
- Explore an affordable housing bond on the 2026 ballot

Reduce the Cost of New Development

To meet the state's affordable housing needs, we must also be more efficient with our resources by reducing the cost of development.

The easiest way for California to quickly reduce development costs is to improve coordination and efficiency in its housing finance system. Currently, affordable housing developments must apply to multiple state financing agencies to obtain subsidies, bonds, and tax credits. Each application process is extremely complex and competitive - adding additional costs and delaying the construction of affordable homes.

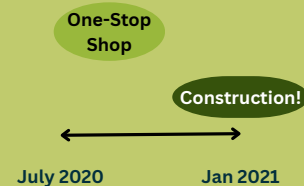
The Current Financing Process



Applicants submit multiple applications to multiple competitive state funding programs. It takes years to get a development fully funded.

The Future of Financing

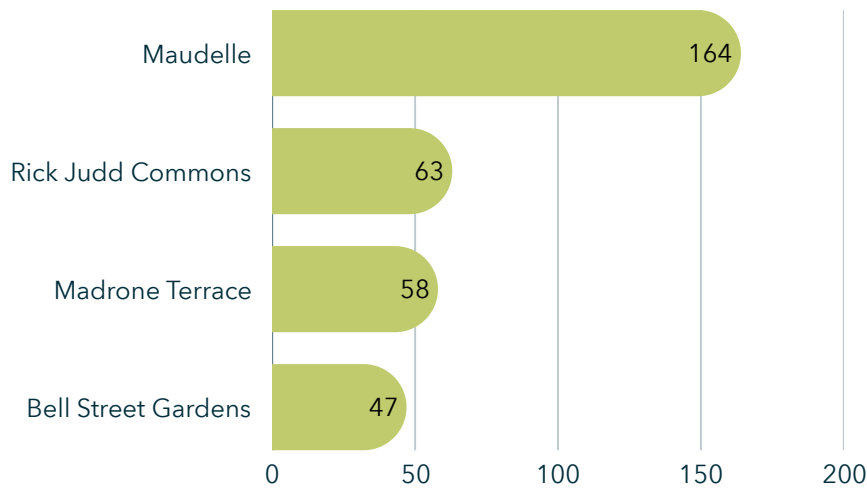
Applicants submit a single application to all state financing programs. A multi-agency team reviews, scores, and awards applications with all state funding necessary to complete the development project within a few months.



Another critical strategy for reducing development costs is accelerating permit reviews and approvals. We have seen this approach work for local entitlement streamlining: due to state laws like SB 330 (Skinner, 2019), local jurisdictions now have strict timelines and review standards for reviewing new housing development. The result has been a substantial acceleration in local approval timelines. Unfortunately, there are many agencies that are not yet subject to these streamlining laws. Our affordable housing developments still experience challenges with obtaining timely permit reviews from some local special districts and state agencies.

In particular, the state must take action to accelerate the electrical energization of affordable housing developments. Delays in connecting developments to the grid have increased costs by around \$8,000 to \$12,000 per day for multiple RCD projects in the past year. These delays also disrupt the leasing process and needlessly prolong the homelessness and housing instability faced by many incoming residents.

Figure 2: Current Energization Delays on RCD Projects, in days



2025 To-Do

To reduce the cost and time to develop new affordable housing, the Legislature should:

- Ensure that the state continues to make progress towards a one-stop-shop application process, as mandated by AB 519 (Schiavo, 2023)
- Streamline state permitting processes for new housing development
- Require that utilities prioritize state-funded affordable housing developments for connection to the electrical grid

Support Operational Sustainability

Our work doesn't end once a development is constructed: we continue to own and maintain our properties as affordable housing in perpetuity. **The state must promote and facilitate adoption of best practices in leasing, management, and services to ensure communities can continue to serve the needs of their residents in the following areas:**

Connect Housing and Healthcare

Most permanent supportive housing developments do not have a long-term source of supportive services funding. Reductions in services funding can jeopardize the housing stability and health of supportive housing residents. The CalAIM Community Supports program, part of the state's MediCal transformation, offers the promise of a more sustainable way to provide and fund tenancy sustaining services. We work to identify and remove barriers to integrating this healthcare funding with existing affordable housing developments.

Coordinated Entry is the process by which a local Continuum of Care prioritizes and matches people experiencing homelessness with housing resources. It is often the sole referral source into permanent supportive housing units set aside for homeless individuals. As the number of programs serving unhoused Californians grows, it is important that there remains a clear, centralized pathway for people to find housing assistance. We support expansion and investment in local Coordinated Entry systems to ensure that the most vulnerable people are housed first and fastest.

Strengthen Coordinated Entry

Mitigate Insurance Impacts

Affordable housing owners and operators have been significantly impacted by the ongoing insurance crisis. Housing providers are facing limited availability, significant premium and deductible cost increases, and reductions in the scope and quality of coverage. These issues are present in property, liability and builder's risk insurance. Affordable housing owners have limited options to cope with escalating insurance costs. State intervention is needed to ensure the sustainability of the state's affordable housing portfolio while the Insurance Commissioner works on long-term reforms to stabilize the insurance marketplace.

2025 To-Do

To support the operational sustainability of affordable housing developments, the Legislature should:

- Make housing-related Community Supports a Medi-Cal benefit
- Provide financial support and administrative guidance to Continuums of Care to facilitate smooth housing referrals via Coordinated Entry
- Support flexibility on residual receipts and mandatory minimum debt service payments on state soft loans for insurance-impacted projects

For Further Information...

[California Housing Partnership Housing Needs Report](#)

[Enterprise Community Partners Housing Pipeline Report](#)

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