

ADDRESSING CALIFORNIA'S HOUSING AFFORDABILITY CRISIS



- * AHSC has provided critical funding for 6,443 high-quality, location-efficient, and transit-accessible affordable rental homes for low-income Californians. These homes would not exist without AHSC funding and will remain affordable for 55 years.
- * 75 percent of AHSC-funded homes are reserved for very low-income households earning less than 50 percent of area median income. Many also include supportive services, and some serve veterans and seniors.

About AHSC's investments in affordable housing

Creating and preserving affordable housing for low-income Californians is one of the AHSC program's stated public policy objectives. California needs more than 1.5 million new affordable rental homes to meet the current needs of its lowest income renters, most of whom are forced to spend more than half of their income on rent.¹ AHSC is a particularly critical State financing tool to leverage 4% Low-Income Housing Tax Credits (LIHTCs)—a virtually uncapped federal resource for developing and preserving affordable homes—that enable developers and local government partners to begin to meet this huge need.

How AHSC achieves this policy goal

- **Rent Savings:** Low-income residents living in affordable homes created through AHSC's first three rounds will save an average of \$746 per month when compared to paying local market rents. During the 55-year period these homes are required to remain affordable, residents will save approximately \$3 billion, which they can spend on other essentials such as food, transportation, and health care.
- **Efficient Use of State Funds:** In its first three funding rounds, each dollar of AHSC funds allocated to creating affordable homes will result in approximately six dollars in annual rent savings per low-income household.
- **Other Social Benefits:** AHSC-funded affordable homes will help families avoid painful tradeoffs between rent and essentials like food and health care—and will enable them to experience other benefits associated with stable and affordable housing such as improved health and higher educational attainment for children.²

¹California Housing Partnership, 2016. Confronting California's Rent and Poverty Crisis: A Call for State Reinvestment in Affordable Homes. April. Website: <https://goo.gl/kxTtkp>.

²See, for example: MacArthur Foundation: How Housing Matters Research Briefs. Website: <https://www.macfound.org/press/article/how-housing-matters-research-briefs/>