



Legislature takes on housing affordability

In about an hour's time last week, state senators took aim at what's believed to be the biggest issue now confronting the state's economy: housing. More specifically, a lack of it.

Increasing unaffordability of housing across the state compelled passage of a half dozen or so bills, often with bipartisan majorities. As one would expect with the state's left leaning Legislature, those bills generally favored making infill, affordable housing easier to approve.

Those working on the front lines of affordable housing issues in Sacramento said such bills are welcome. But financing remains the biggest issue.

"If you talk to any affordable housing developer, the biggest stall is the lack of public subsidies," said Rachel Iskow, executive director at affordable housing developer Mutual Housing California. She and others said the most critical bill passed last week is Senate Bill 3, which, if approved, would put a \$3 billion affordable housing bond before voters in November 2018.

"Streamlining is great, but it doesn't necessarily get to affordability itself," said Darryl Rutherford, executive director of Sacramento Housing Alliance, which advocates for affordable housing. "That's going to be really challenging."

Recent efforts to build affordable housing in the region back up Iskow's and Rutherford's observations. Last year, the local nonprofit received approval from the city of Sacramento for Lavender Courtyard by Mutual Housing, a mixed-use, affordable-housing project on 16th Street for LGBT-friendly seniors. While there was some opposition from neighbors, approval came relatively quickly. But since then, Mutual Housing has searched, apparently without luck so far, for funding to build the project.

Other projects, such as West Gateway Place in West Sacramento and Mercy Roseville Apartments in Roseville, spent years in the same limbo before tapping state tax credits and other limited resources to move ahead.

But while affordable housing advocates say funding will go the furthest for improving the housing crunch at the lower end, they're also skeptical about whether the state will make it happen.

In presenting his revised state budget last month, Gov. Jerry Brown said he wanted the approval process to be improved before he'd commit state money to affordable housing. Brown also is notably more penurious with state spending than many legislators. Iskow said she fears he'll reject SB 3

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continued on back

if it makes it to his desk because it would add to the state's debt issues.

Even so, she said, Brown could do more for affordable housing by signing SB 3 than with any other single piece of legislation. But if he doesn't, she and Rutherford said, the conversation over funding may shift from the state to the local level.

Rutherford said many state jurisdictions, especially coastal cities, recently have passed their own local housing bonds. Sacramento and its neighbors might have to try a similar path, he said.

"When you look at voters, they want to add affordable housing and address the homeless issue," he said. "You have to have more mechanisms in place. It's just going to be a heavy lift."