



May 9, 2019

For Immediate Release

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Housing advocates thankful for affordable development funding increase in May Revise, concerned about lack of investment in housing as homelessness reduction strategy

Governor Gavin Newsom's May Revise proposes increased funding for affordable home development of up to \$500 million, redirecting money proposed in January for general city infrastructure to the more-targeted state Infill Infrastructure Grant (IIG) Program, which has been effective in completing affordable housing developments for years.

Housing California was also pleased to see that the Governor refined his January proposal for increasing the Low Income Housing Tax Credit Program to include deeper subsidies. We will continue to urge the administration to make this \$500 million tax credit expansion ongoing.

"These changes reflect input provided by Housing California and our partners to lift up Californians who are struggling the most," said Lisa Hershey, executive director of Housing California. "This budget proposal underscores the vital role our state must play in generating what people fundamentally need most - a home."

However, Governor Newsom's increase for homelessness funding to \$1 billion, currently focused on emergency aid, needs further refinement to ensure a pathway to permanent housing for people experiencing homelessness.

"As the governor has said, 'Shelters solve sleep, housing and services solve homelessness,'" Hershey said. "We believe a more comprehensive approach like the Flexible Housing Program introduced in AB 816, and backed by a coalition of housing advocates and the Big City Mayors, will effectively provide permanent homes for people experiencing homelessness. We can all agree that we need a concerted housing approach to end homelessness for Californians to create a California for All."

Background

Since February, Housing California and our statewide affordable housing and homelessness advocacy partners have led a budget advocacy effort supported by more than 65 partner organizations. The coalition requested an ongoing funding increase for the Low Income Housing Tax Credit Program, as well as investment in a Flexible Housing Program to get people experiencing homelessness into housing with services effectively. [Read the original request letter.](#)

“We are extremely grateful to the numerous organizations who have been advocating for this investment since February,” Hershey added. “Our multi-sector partners include domestic violence survivors, health care providers, criminal justice and anti-recidivism groups, social equity advocates, and senior organizations.”

In the Legislature, Assemblymember Sharon Quirk-Silva is championing the Flexible Housing Program with AB 816, while Assemblymember David Chiu is authoring the tax credit increase in AB 10. Both are co-sponsored by Housing California.

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About Housing California: Since 1988, Housing California has been working to prevent and end homelessness and increase the variety and supply of safe, stable, accessible and permanently affordable homes. Housing California accomplishes its goals through education, advocacy, and outreach.