



September 15, 2014

Mary Nichols, Chair
California Air Resources Board

Re: Additional definition of Benefit to Disadvantaged Communities for the AHSC Program

Dear Chair Nichols and Members of the Air Resources Board (ARB):

Thank you for the opportunity to provide comments and to participate in the stakeholder process toward the development of the definition of benefit to disadvantaged communities, particularly with regard to the Affordable Housing and Sustainable Communities (AHSC) program. I am writing on behalf of the [California Housing Partnership](#) and [National Housing Law Project](#). The California Housing Partnership was created by the state of California 25 years ago to provide leadership on affordable housing resource issues and has authored several [reports](#) documenting the ways in which state investments in affordable housing serving low income households can contribute to the state's greenhouse gas reduction goals.

National Housing Law Project is a legal advocacy center focused on increasing, preserving, and improving affordable housing; expanding and enforcing rights of low-income tenants and homeowners; and increasing housing opportunities for racial and ethnic minorities. Our organization provides technical assistance and policy support on a range of housing issues to legal services and other advocates nationwide. In addition, NHLP hosts the national Housing Justice Network, a vast field network of over 1,000 community-level housing advocates and tenant leaders. Housing Justice Network member organizations are committed to protecting affordable housing and housing rights for low-income families and individuals nationwide.

In the ARB's "Interim Guidance on Investments to Benefit Disadvantaged Communities" several definitions were proposed to classify benefit to disadvantaged communities (DACs) for the AHSC program. These definitions involved proximity to a disadvantaged community census tract or workforce outreach strategies to residents of disadvantaged communities.

We offer an additional definition of benefit for DACs: an occupancy preference giving DAC residents the first opportunity to rent a percentage of the units in all affordable housing developments receiving AHSC funding across the state.¹ An occupancy preference has the advantage of being easily documentable and providing tangible and long lasting benefits to residents of DACs.

¹ There may be a reason to limit occupancy preference to less than 100% of units, similar to workforce requirements suggested by ARB.

SAN FRANCISCO
369 Pine Street
Suite 300
San Francisco, CA 94104
Tel: (415) 433-6804
Fax: (415) 433-6805

LOS ANGELES
600 Wilshire Blvd.
Suite 890
Los Angeles, CA 90017
Tel: (213) 892-8775
Fax: (213) 892-8776

SACRAMENTO
5325 Elkhorn Blvd.
P.O. Box 8132
Sacramento, CA 95842
Tel: (916) 683-1180
Fax: (916) 682-1194

An occupancy preference for residents of DACs addresses several tensions associated with linking benefit primarily to the geographic definition of a DAC, while still linking benefits to members of DACs. This definition of benefit will make it more feasible to locate new AHSC-funded affordable housing near transit, jobs, and services that will allow for vehicle miles traveled reductions, and thus greenhouse gas reductions.

The occupancy preference also ensures that the AHSC program will comply with the U.S. Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development's (HCD) new policy goals of Affirmatively Furthering Fair Housing by creating access to communities of opportunity for low income households.

This approach would be in addition to defining affordable housing properties within, or in close proximity to DACs as providing a benefit to those DACs. There are likely to be many desirable sites within DACs that offer access to transit and amenities; we simply offer an additional definition that is simple to implement and provides clear benefit to residents of DACs. To ensure that an occupancy preference not undermine AHSC investments within DACs, we would propose that the ARB set a minimum level of AHSC investment within DACs. We believe that our recommended approach of requiring a floor for DAC investment with an occupancy preference is the best way to advance both the anti-discrimination and affirmatively furthering fair housing provisions of the Fair Housing Act.

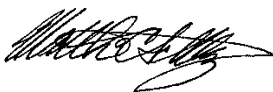
We also think it is essential that future definitions of DACs include rent burden and housing conditions.

The above recommendations are in addition to our support for the key principles circulated by the 535 Coalition and others that apply to the entire Greenhouse Gas Reduction Fund portfolio:

- Benefits should be targeted to disadvantaged beneficiaries, such as low-income households, disadvantaged workers, low-income transit riders, and not be based solely on location.
- The net benefit of each project must be assessed to ensure each project provides significant benefits after harms, such as bringing additional industry into overburdened neighborhoods or displacing current residents are considered.
- Investments must be ranked and scored based on how they meet several important environmental, economic and public health criteria and the most significant benefits prioritized.
- Projects that authentically engage the community should receive priority.
- A minimum of 35% of GGRF funds should be spent to benefit disadvantaged communities and populations.

Please let us know if you have any questions about these recommendations. Thank you.

Sincerely,



Matt Schwartz, President & CEO
California Housing Partnership