

# 1st of the Month

## Affordable Housing Technical Review



Issue: # 17

September 2011 (issued September 1, 2011)

S194861  
**IN THE SUPREME COURT OF CALIFORNIA**  
En Banc

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CALIFORNIA REDEVELOPMENT ASSOCIATION et al., Petitioners,  
v.  
ANA MATOSANTOS, as Director, etc. et al., Respondents.

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The request for a stay of chapter 5, Statutes 2011, First Extraordinary Session (Assembly Bill No. 26 X1) is granted, except that the request to stay Division 24, Part 1.8 of the Health and Safety Code (Health & Saf. Code, §§ 34161-34167) is denied. The request for a stay of chapter 6, Statutes 2011, First Extraordinary Session (Assembly Bill No. 27 X1) is granted.

California Supreme Court to hear California Redevelopment Association's petition.

To Our LDC Clients and Colleagues:

Labor Day is right around the corner and many of us are looking forward to slowing things down over a nice, long, three-day weekend. However, the affordable housing industry continues to move along at the same frenetic pace as always. Taking advantage of the Labor Day theme, President Obama plans to announce a jobs strategy immediately after the holiday. Numerous national organizations have taken that opportunity to call for funding of the National Housing Trust Fund. Other items of note this month include:

- The California Supreme Court has agreed to review the petition challenging the constitutionality of AB 1X 26 and 27 from the CRA and the League of California Cities. We are also waiting to hear from the Court whether or not redevelopment agencies may continue their activities if they have opted-in to the voluntary program;
- HUD's announcement of \$1.63 billion to be made available for homeless programs including funding for the Continuum of Care (CoC) Homeless Assistance Program;
- CTCAC will be holding a special hearing on the developments costs of affordable housing in Sacramento on September 14, 2011;

Please see the articles below for additional information as well as other current events in the affordable housing industry.

Best wishes,

A handwritten signature in blue ink that reads 'Jennifer LeSar'.

President, LeSar Development Consultants

### About Us

LeSar Development Consultants provides a full range of consulting services primarily to local government agencies involved in redevelopment, community development, affordable housing, and homelessness.

### Website

[lesardevelopment.com](http://lesardevelopment.com)

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## \$1.63 Billion Made Available for Homeless Programs in HUD NOFA

On August 31, 2011, HUD announced that \$1.63 billion will be made available for Fiscal Year 2011 to support nearly 7,000 existing homeless assistance programs currently operating. In addition, the funds will create new homeless assistance programs with the Continuum of Care (CoC) Homeless Assistance Program NOFA.

The funding is geared towards permanent and transitional housing for homeless persons, as well as the provision of services, including job training, health care, mental health counseling, substance abuse treatment, and child care. The Continuum of Care grants will continue to be awarded competitively to local communities to support their efforts to end homelessness.

To read the full HUD press release, please see:

[HUD Press Release](#)

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## National Housing Trust Fund Update

With the President expected to announce a multi-pronged jobs strategy immediately after Labor Day, forty-four national organizations have seized upon the opportunity to call for funding of the National Housing Trust Fund in an open letter to White House officials. Together, the groups have requested \$10 billion in funding, citing that such an investment would create 122,000 new jobs in the construction trades and 30,000 ongoing jobs in housing operations.

To read the letter directed to White House officials, please see:

[Letter to White House Officials](#)

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## CRA Seeks Clarification on Court Ordered Stay

On August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association (CRA) and League of California Cities' petition challenging the constitutionality of AB 1X 26 and AB 1X 27. The Court has also ordered a stay specified to portions of the Redevelopment Restructuring Acts, indefinitely postponing certain provisions' effectiveness.

On August 22, 2011, the California Redevelopment Association and the League of California Cities filed a motion for clarification on the stay issued on August 11. The motion requests clarification on whether redevelopment agencies are subject to the restrictions on redevelopment activity if they had enacted a continuation ordinance related to AB 1X 27 prior to August 11. In the motion, CRA and the League outlined their arguments for why these agencies should be exempt from this restriction of the stay order. Furthermore, CRA and the League are requesting that the stay order be modified to permit all cities and counties who abide by the timetable mandated by AB 1X 27 to enact continuation ordinances.

The Court has yet to rule on the motion submitted by CRA and the League of California Cities. For the latest information on the lawsuit, please see the CRA website:

[CRA Website](#)

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## CTCAC to Hold Special Hearing on Development Costs

As a result of the cost-containment forums held in July, the California Tax Credit Allocation Committee (CTCAC) will hold a special hearing to solicit comments regarding the cost of developing affordable rental housing in California. The Committee has invited specific speakers to provide remarks, and has also designated time for brief remarks by the general public in attendance. The meeting is set for September 14, 2011 from 11:00am - 1:00pm at the Holiday Inn Capital Plaza in Sacramento.

For more information, please visit the CTCAC website:

[TCAC Hearing Agenda](#)

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## Housing California Reports on Housing Affordability

Housing California has created a series of reports on housing affordability in the state broken down by state senate and assembly districts. These three-page reports are written in simple, easy-to-understand language and provide a valuable resource for anyone who would like to inform local policy makers in the community.

For access to the housing affordability reports broken down by state senate and assembly district, please see:

[Housing California Reports](#)

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## NOFA for MHP-Supportive Housing Component Closed

On August 16, 2011, the California Department of Housing and Community Development (HCD) announced the closure of its Notice of Funding Availability for the Multifamily Housing Program - Supportive Housing Component (MHP-SH). The NOFA had been released in June, making available approximately \$65 million in funding and began accepting applications on August 10, 2011 but quickly received many more applications for projects than can be supported by the funding available. HCD has indicated that any applications received after August 16, 2011 will be returned. When the award of this NOFA's funds is completed, all funding provided to the MHP-SH program by the passage of Proposition 1C (the Housing and Emergency Shelter Trust Fund Act of 2006) will have been expended and no future NOFAs are scheduled.

To read the letter from HCD, please see:

[HCD Press Release](#)

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## CSH Releases Industry Survey and Announces Awards Ceremony

On August 17, 2011, CSH released its second annual State of the Supportive Housing Industry Survey report highlighting challenges, trends, and issues present in the supportive housing industry based upon surveys of people who work in the field. A key finding from the report is that, although industry members report a decrease in funding availability and political will due to budget crises at the state and local level, the industry continues to look for innovative ways to finance and create supportive housing, including looking for ways to tap unused resources such as

TANF, Substance Abuse Treatment Block Grants, and Medicaid.

To read the entire Supportive Housing Industry Survey report, please see:

[CSH's Supportive Housing Industry Survey](#)

CSH will also be hosting its first-ever CSH California Supportive Housing Quality Awards event, which will showcase innovative supportive housing projects that demonstrate quality of design, management in operation and services delivery, and experiential discovery. This event will be held Thursday, November 10, 2011 from 6:00 pm - 9:00 pm at the Dorothy Chandler Pavilion in Los Angeles, CA 90012.

For more information about the event, please see:

[CSH California Supportive Housing Quality Awards](#)

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