



# Anna M. Caballero

14<sup>th</sup> Senate District

## SB 225 – Community Anti-Displacement and Preservation Program

(as introduced 1/19/23)

### SUMMARY

SB 225 creates the Community Anti-Displacement and Preservation Program (CAPP) to prevent displacement and homelessness by financing the acquisition of currently unsubsidized rental housing and preserving it as affordable, while stabilizing current residents.

### PROBLEM

There are more than 1.1 million unsubsidized affordable homes across California where low-income households live, primarily people of color. As rents outpace wage growth, this housing becomes less accessible and unaffordable, leading to the displacement of people from their homes and communities. This trend is visible across the state; the Bay Area lost 32,000 unsubsidized affordable homes annually between 2012-2017, and San Diego lost an estimated 72% of its unsubsidized housing stock affordable to very low-income households between 2000-2020. As a result, there are fewer and fewer affordable options for low-income Californians and affordable housing production is not keeping pace with this loss.

### BACKGROUND

Acquisition and preservation of unsubsidized affordable housing has proven to be a successful local model to prevent displacement and homelessness and grow the supply of affordable housing. Moreover, acquisition preservation creates new affordable homes immediately, since the buildings are already built. These projects generally close in several months, rather than years.

Currently, only a limited patchwork of local resources are available to do this work, and only a select number of communities are able to utilize this important strategy. A statewide program is needed to scale these efforts and ensure communities across the state have access to resources and this important affordable housing strategy.

While some state programs focus on preservation, the programs do not provide resources that fit the specific needs to acquire unsubsidized affordable housing currently occupied by income eligible residents.

### SOLUTION

CAPP would be a new state program to provide the resources that community organizations, affordable housing developers, and local jurisdictions need to acquire unsubsidized rental housing from the private market where tenants are at risk of displacement and to preserve the housing as affordable rental housing or homeownership opportunities. CAPP will prevent displacement and homelessness by stabilizing low-income families in their communities, while also growing California’s supply of deed-restricted affordable homes for the future. CAPP is designed to:

- Create an innovative partnership between The California Department of Housing and Community Development, community development financial institutions, and local governments;
- Provide a streamlined funding program that offers both short-term acquisition capital and long-term subsidy; and
- Grow local capacity and ensure program success through technical assistance to program applicants like community development corporations, community land trusts, nonprofit developers, and local jurisdictions

### SUPPORT

Enterprise Community Partners (Co-sponsor)  
Housing California (Co-sponsor)  
Public Advocates (Co-sponsor)

### CONTACT

Jeffrey Roth, Legislative Director  
Jeffrey.Roth@sen.ca.gov | (916)651-4014